

Appropriations Committee
Health Subcommittee
February 24, 2022

Public Hearing on:
House Bill 5037 AAC the State Budget for the Biennium Ending June 30th, 2023
(DDS, DMHAS)

Good evening, Senator Osten, Representative Walker, Senator Miner, Representative France and members of the Appropriations Committee.

Good afternoon/evening, Senator Osten, Representative Walker, Senator Miner, Representative France and members of the Appropriations Committee. My name is Heather LaTorra and I have been working at Marrakech for the past 36 years. Thank you for the opportunity to provide testimony on the state budget.

Marrakech just celebrated it's 50th anniversary, we are a multi service organization. We have been contracting and partnering with DDS and DMHAS for decades. We run group homes, supported living, employment services, meaningful day programs, quality of life, homeless drop center, fiduciary and other services.

I want to thank you for the 4% Cost of Living Adjustment (COLA) for community nonprofits that you fought to include in last year's budget. I'm here tonight to ask you to honor the long term plan to address underfunding of community nonprofits and increase funding this year by an additional \$461 million, or 8% in total for FY23.

This funding is needed now more than ever. Without it, we risk destabilizing our state's community service delivery system which has been upended by the pressures of COVID-19 and an exponential increase in the need for service in our communities.

At the same time, we're facing unprecedented challenges recruiting and retaining staff of all skill levels and salaries.

Marrakech always took pride in being able to support people shortly after they are referred, without maintaining a waiting list.

There are currently a number of people waiting for admission to our Adult Day Service programs in West Haven and Waterbury, leaving families without the ability to go in to work and leaving individuals with no services. This is solely due to the staffing shortage we are facing.

We have met several families and individuals who are on the emergency list for residential placements and unfortunately we are unable to accept people immediately because of our inability to hire and train people fast enough.

Since COVID we lost 9.5% of our workforce and we are operating with our largest position vacancy rate ever, even with the increase in wages, there are less stressful jobs, and less risky jobs, that pay more and with clear histories of regular Cost of Living Increases.

Human services are now in competition with companies like Amazon and Walmart that require no specialized training, are paying more and offering more hiring incentives. Across the state, The Alliance found that 18%, nearly 1 in 5, nonprofit jobs are vacant right now.

The increase in this year's budget, while very much appreciated, has quickly been absorbed by rising costs. Over the last year, inflation rose by almost six percent, surpassing the COLA in the current year's budget.

- I just signed new increased rent checks for our day program property,
- Our package insurance cost has increased again for 2022
- There are new Technology related ongoing expenses
- yet there was no increase in our largest state contracts or service rates for this for 15 years
- I can go on and on, but everyone knows - gas prices, food, home and vehicle repairs, and ancillary services are all more expensive.

Nonprofit Providers funded by the Department of Developmental Services are grateful for the efforts of the Appropriations Committee and Governor Lamont to address wage and funding issues specific to services for the Intellectual/Developmental Disabilities population. Last year's Group Home Settlement provided significant funding to increase the minimum wage for direct support staff in DDS agencies.

However, the group home settlement also created significant challenges:

- First, the terms of the settlement provided wage increases of as much as 11.6% for entry level staff, which next year will increase to 14.5%. But the agreement only provides a 3% increase to everyone else. Although 45% of our 700 employees have been working here 7 years or more, most of them are earning the same rate of pay as new hires due to the manner in which the group home settlement took place. The wage compression for our employees with seniority and our next level management positions is discouraging.
- Second, the funding dedicated a pool of dollars to enhance employee benefits, but to date none of that funding has been disbursed to providers. We understand it to total less than half what providers have told DDS they would need.
- Third, as a multi service organization with 700 employees working for multiple State contracts explaining that although a 4% COLA was approved, it will impact salaries differently does not go over well.

In my 36 years here, I have never been so worried about our financial footing and our ability to take on more, coming out of COVID. We have people waiting for services and we cannot hire and train and retain people fast enough. Our employees, our greatest resource, are tired and wearing thin.

We have enjoyed productive partnerships with DMHAS and DDS over the decades and we are often able to assist with innovate programming for people who would otherwise fall through the cracks.

Please show that Connecticut values people with disabilities and with similar service needs, and values our essential employees, most of whom are black and brown. Please approve the 8% COLA.

Thank you for your time.
Heather LaTorra